

1-1 By: Gallegos S.B. No. 1217
1-2 (In the Senate - Filed March 6, 2007; March 14, 2007, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 19, 2007, reported favorably by the following vote: Yeas 7,
1-5 Nays 0; April 19, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to fees for and terms of permits and licenses issued by the
1-9 Texas Alcoholic Beverage Commission.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subsection (b), Section 5.50, Alcoholic Beverage
1-12 Code, is amended to read as follows:

1-13 (b) The commission may not increase or decrease a fee set by
1-14 this code, but if a statute is enacted creating a certificate,
1-15 permit, or license and there is no fee established, the commission
1-16 by rule may set a fee. The commission by rule shall assess ~~and~~
1-17 ~~collect annual~~ surcharges on ~~from~~ all applicants for an original
1-18 or renewal ~~holders of a~~ certificate, permit, or license issued by
1-19 the commission in addition to any fee set by this code and collect
1-20 the surcharges at the time of application. In assessing a
1-21 surcharge, the commission may not overly penalize any segment of
1-22 the alcoholic beverage industry or impose an undue hardship on
1-23 small businesses.

1-24 SECTION 2. Subsection (c), Section 6.02, Alcoholic Beverage
1-25 Code, is amended to read as follows:

1-26 (c) The commission may not abate or refund a license or
1-27 permit fee because of a change in the expiration date made under
1-28 this section but may authorize a license or permit period of less
1-29 than one year for the period during which the expiration date is
1-30 changed. The commission may not authorize a license or permit
1-31 period of greater than two years ~~one year~~.

1-32 SECTION 3. Section 11.09, Alcoholic Beverage Code, is
1-33 amended by amending Subsections (a) and (b) and adding Subsections
1-34 (d) and (e) to read as follows:

1-35 (a) A permit issued under this code expires on the second
1-36 anniversary of ~~one year after~~ the date it is issued, except as
1-37 otherwise provided by Subsections (d) and (e) or another
1-38 provision of this code. Notwithstanding Section 5.50(b), the
1-39 commission shall double the amount of fees and surcharges otherwise
1-40 applicable under this code for a permit with a two-year term.

1-41 (b) A secondary permit which requires the holder of the
1-42 permit to first obtain another permit, including a late hours
1-43 permit or temporary permit, expires on the same date the basic or
1-44 primary permit expires. The commission may not prorate or refund
1-45 any part of the fee for the secondary permit if the application of
1-46 this section results in the expiration of the permit in less than
1-47 two years ~~one year~~.

1-48 (d) The commission by rule may require that the expiration
1-49 date for an individual permit holder's permit is the first
1-50 anniversary of the date on which the permit is issued due to the
1-51 permit holder's violation history.

1-52 (e) The commission may issue a permit with an expiration
1-53 date less than two years after the date the permit is issued in
1-54 order to maintain a reasonable annual distribution of renewal
1-55 application review work and permit fees. If the commission issues a
1-56 permit with an expiration date less than two years after the date
1-57 the permit is issued, the commission shall prorate the permit fee on
1-58 a monthly basis so that the permit holder pays only that portion of
1-59 the permit fee that is allocable to the number of months during
1-60 which the permit is valid.

1-61 SECTION 4. Section 61.03, Alcoholic Beverage Code, is
1-62 amended by amending Subsections (a) and (b) and adding Subsections
1-63 (d) and (e) to read as follows:

1-64 (a) Except as provided by Subsections (d) and (e) or another

2-1 provision of this code, any [Subsection (b), a license may not be
2-2 issued for a term longer than one year. Any] license except a
2-3 branch, importer's, importer's carrier's, or temporary license
2-4 expires on the second anniversary of [one year after] the date on
2-5 which it is issued. Notwithstanding Section 5.50(b), the
2-6 commission shall require double the amount of fees and surcharges
2-7 otherwise applicable under this code for a license with a two-year
2-8 term.

2-9 (b) A secondary license which requires the holder of the
2-10 license to first obtain another license, including a late hours
2-11 license or temporary license, expires on the same date the basic or
2-12 primary license expires. The commission may not prorate or refund
2-13 any part of the fee for the secondary license if the application of
2-14 this section results in the expiration of the license in less than
2-15 two years [one year].

2-16 (d) The commission by rule may require that the expiration
2-17 date for an individual license holder's license is the first
2-18 anniversary of the date on which the license is issued due to the
2-19 license holder's violation history.

2-20 (e) The commission may issue a license with an expiration
2-21 date less than two years after the date the license is issued in
2-22 order to maintain a reasonable annual distribution of renewal
2-23 application review work and license fees. If the commission issues
2-24 a license with an expiration date less than two years after the date
2-25 the license is issued, the commission shall prorate the license fee
2-26 on a monthly basis so that the license holder pays only that portion
2-27 of the license fee that is allocable to the number of months during
2-28 which the license is valid.

2-29 SECTION 5. The changes in law made by this Act apply only to
2-30 a license or permit issued or renewed on or after the effective date
2-31 of this Act. A license or permit issued or renewed before the
2-32 effective date of this Act expires on its own terms and is governed
2-33 by the law in effect when the license or permit was issued or
2-34 renewed, and the former law is continued in effect for that purpose.

2-35 SECTION 6. This Act takes effect September 1, 2007.

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